

§ 9. Settlement of Returned Service Personnel : 1939-45 War.

1. War Service Land Settlement Scheme.—(i) *General.* At a conference of Commonwealth and State Ministers held at Canberra on 22nd August, 1945, certain proposals were agreed to with a view to the settlement, on land in the States, of discharged members of the Forces and other eligible persons. The War Service Land Settlement Agreements Act 1945, to authorize the execution by or on behalf of the Commonwealth of Agreements between the Commonwealth and the States in relation to War Service Land Settlement, was assented to on 11th October, 1945. In each State the proposals agreed to at Canberra on 22nd August, 1945, were ratified by State legislation and Agreements between the Commonwealth and the States were signed in November, 1945.

The execution of Agreements between the Commonwealth and the States of New South Wales, Victoria and Queensland is substantially in accordance with the form contained in the First Schedule of the Act, while the Agreements between the Commonwealth and the States of South Australia, Western Australia and Tasmania are substantially in accordance with the form contained in the Second Schedule of the Act.

FIRST SCHEDULE.

Under the conditions of the First Schedule, it was agreed that the States (New South Wales, Victoria and Queensland) should provide capital moneys required for the purpose of acquiring, developing and improving land for settlement and for advances to settlers, bear the cost of State administration, and make a capital contribution in respect of each holding, of an amount equal to one-half of the excess of the total cost involved in acquiring, developing and improving the holding over the sum of valuations of the land and improvements. The State bears one-half of the cost involved in the remission of rent and interest during the assistance period (the first year after allotment of the holding, and also one-half of any losses (to be assessed on a basis to be agreed upon by the Commonwealth and the State) incurred by the State on advances made to settlers for the purpose of providing working capital and paying for and effecting improvements and acquiring stock, plant and equipment. The Commonwealth makes a capital contribution of half of any excess of the cost over valuation of any holding and bears one-half of any losses arising from advances approved for working capital, and paying for and effecting improvements and acquiring stock, plant and equipment. The Commonwealth also bears one-half of the cost involved in the remission of rent and interest during the assistance period. The Commonwealth bears the cost of payment to each settler of a living allowance during the first year after allotment.

SECOND SCHEDULE.

In the Agreement with the States of South Australia, Western Australia and Tasmania, under the conditions of the Second Schedule, the State agreed to administer the Scheme on behalf of the Commonwealth. The Commonwealth accepts responsibility for policy decisions and exercises general supervision over the Scheme. The State bears the cost of State Administration of the Scheme and makes a capital contribution in respect of each holding equal to two-fifths of the excess of the total cost involved in acquiring, developing and improving the holding over the sum of valuations of land and improvements. The Commonwealth provides capital moneys required for the purpose of acquiring, developing and improving land for settlement, and for the making of advances to settlers, under and in accordance with the terms of the agreement, and makes a capital contribution in respect of each holding of an amount equal to three-fifths of the excess of the total cost involved in acquiring, developing and improving the holding over the sum of valuations of the land and improvements. The Commonwealth also bears any losses arising out of advances made to settlers for working capital, and paying for and effecting improvements and acquiring stock, plant and equipment, and all the cost involved in the remission of rent and interest and the payment of living allowances during the assistance period.

(ii) *Cost of Land, Valuations, Tenure.* An important provision of the Scheme is that land shall not be acquired by a State at a cost in excess of the values ruling as at the 10th February, 1942, when the Commonwealth Government's general price stabilization scheme was introduced.

Valuations are made by officers appointed by the Commonwealth and State for the purpose. In making the valuations the officers have regard to the need for the proceeds of the holding (based on conservative estimates over a long-term period of prices and yields for products) being sufficient to provide a reasonable living for the settler after meeting such financial commitments as would be incurred by a settler possessing no capital. Any excess of costs over the total valuation of a holding is written off.

A condition of the Agreements in the Second Schedule under which the States of South Australia, Western Australia and Tasmania operate, is that holdings must be allotted on perpetual leasehold tenure; the general terms and conditions of the lease to be approved by the Commonwealth. Two of the three States operating under the First Schedule (New South Wales and Queensland) have voluntarily adopted the perpetual leasehold type of tenure.

(iii) *Principles of Operation.* It was agreed that under the Scheme, land settlement should be carried out in accordance with the following principles:—

- (a) Settlement shall be undertaken only where economic prospects for the production concerned are reasonably sound; and the number of eligible persons to be settled shall be determined primarily by opportunities for settlement and not by the number of applicants;
- (b) Applicants shall not be selected as settlers unless a competent authority is satisfied as to their eligibility, suitability and qualifications for settlement under the Scheme and their experience of farm work;
- (c) Holdings shall be sufficient in size to enable settlers to operate efficiently and to earn a reasonable labour income;
- (d) An eligible person deemed suitable for settlement shall not be precluded from settlement by reason only of lack of capital, but a settler will be expected to invest in the holdings such proportion of his own financial and other resources as is considered reasonable in the circumstances by the appropriate State Authority;
- (e) Adequate guidance and technical advice shall be made available to settlers through agricultural extension services.

(iv) *Method of Operation.* After a State has selected such land as it considers suitable for settlement, it submits to the Commonwealth detailed information regarding the property; its location, climate, type of soils, water supply, production (past and proposed) and plans of development, improvement and subdivision of the land. Where Commonwealth approval has finally been given to a proposal, the State proceeds with the sub-division of the property, selection of settlers, and improvement of the holdings to a stage where they can be brought into production by the settler within a reasonable time, having regard to the type of production proposed.

A settler may be granted a living allowance, at a rate and under conditions fixed by the Commonwealth, during a period of one year after the allotment of a holding to him. This period is referred to as "the assistance period" and it may, under special circumstances, be extended. During this period the settler is not required to pay any rent or interest in respect of the holding, or make any payments on account of principal or interest in respect of advances, other than advances for working capital.

Each soldier settler is granted a residential course of eight weeks duration, at a Government Training Centre, in the "Principles of Farm Management". This course provides an opportunity for those already possessed of sufficient practical knowledge and experience gained on the land to gain a knowledge on aspects of farming not normally acquired in farming occupations.

(v) *Summary of Operations to 30th June, 1947.* Up to 30th June, 1947, the States had submitted to the Commonwealth settlement proposals involving 5,378,628 acres, and of that total 3,842,883 acres had been approved as suitable for soldier settlement.

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The tables hereunder show the position up to 30th June, 1947.

WAR SERVICE LAND SETTLEMENT (1939-45 WAR): SUMMARY TO 30th JUNE, 1947.

State.	Land Submitted by States.		Land Approved by Commonwealth.				Land Purchased by States.	
			As Suitable for Soldier Settlement. (a)		For Acquisition.			
	Sub-missions.	Area.	Pro-perties.	Area.	Pro-perties.	Area.	Pro-perties.	Area.
	No.	Acres.	No.	Acres.	No.	Acres.	No.	Acres.
New South Wales—								
Western Division	72	2,518,394	62	1,810,050	62	1,810,050	62	1,810,050
Group Promotion	50	266,995	40	189,863	40	189,863	14	58,471
Other	52	838,551	45	672,423	45	672,423	14	347,106
Total New South Wales ..	174	3,623,940	147	2,672,336	147	2,672,336	90	2,215,627
Victoria	36	346,203	32	289,899	32	289,899	32	223,208
Queensland ..	19	102,319	19	102,319	19	102,319	6	20,704
South Australia ..	85	388,298	57	185,092	52	178,655	48	158,764
Western Australia..	264	751,087	138	445,972	121	402,894	121	345,204
Tasmania	12	166,781	10	147,265	9	145,293	3	41,932
Total	590	5,378,628	403	3,842,883	380	3,791,396	300	3,005,439

(a) Includes land approved for acquisition under next heading.

State.	Land Approved by Commonwealth for Subdivision.			Single Holdings Approved by Commonwealth.		Land Allotted to Settlers.		Land Deferred for Consideration, Under Consideration, Rejected or Withdrawn.
	Pro-perties.	Area.	Hold-ings.	Area.	Hold-ings.	Area.	Hold-ings.	Area.
	No.	Acres.	No.	Acres.	No.	Acres.	No.	Acres.
New South Wales—								
Western Division	..	..	..	1,810,050	62	1,222,343	48	708,344
Group Promotion	39	184,496	148	..	..	9,725	20	77,132
Other ..	20	190,674	193	..	..	92,209	84	166,128
Total New South Wales ..	59	375,170	341	1,810,050	62	1,324,277	152	951,604
Victoria ..	15	74,621	208	1,411	2	55,960	137	56,304
Queensland ..	9	28,096	31	700	1	15,655	21	..
South Australia ..	4	8,542	12	49	2	49	2	203,206
Western Australia ..	11	60,101	32	127,734	74	68,111	50	305,115
Tasmania ..	1	1,141	2	..	..	..	..	19,516
Total ..	99	547,671	626	1,939,944	141	1,464,052	362	1,535,745

NOTE.—At 31st December, 1947, land submitted totalled 6,473,539 acres, land approved for acquisition, 4,830,323 acres, land purchased, 3,706,458 acres, and land allotted, 2,279,657 acres.

The area approved in New South Wales as suitable for settlement to 30th June, 1947, was 2,672,336 acres. Sub-division of 59 properties, together with 62 single grazing leases, has resulted in 403 holdings, with an area of 2,185,220 acres, being made available

to that date for ex-servicemen. The number of holdings allotted to settlers was 152, involving 1,324,277 acres. In Victoria, apart from the irrigation areas, Soldier Settlement is being concentrated mainly in the Western District, where there is an assured rainfall and where wool and fat lamb production and dairying will be the main forms of activity. Already 76,032 acres have been subdivided into 210 holdings and 137 holdings involving 55,960 acres have been allotted to settlers. In Queensland 102,319 acres have been submitted to the Commonwealth for soldier settlement and approved, and to 30th June, 1947, an area of 28,796 acres was subdivided into 32 holdings. There have been 21 holdings in 15,655 acres allotted to applicants and the lands will be used for dairy farming, pig raising, cereal growing and for the production of fat lambs and wool. The area submitted for soldier settlement by South Australia is 388,298 acres and 185,092 acres have been approved by the Commonwealth. Apart from the irrigation area at Loxton on the River Murray, proposals for settlement are mainly confined to the south eastern portion of the State and the Eyre Peninsula. To the 30th June, 1947, an area of 8,591 acres had been subdivided into 14 holdings, and only two small existing holdings had been allotted to settlers. In this State extensive developmental programmes have been undertaken and it is anticipated that many highly improved properties will be made available for application during the coming year. Western Australia has submitted 264 proposals for soldier settlement involving 751,087 acres, and 445,972 acres have been approved. There have been 60,101 acres sub-divided into 32 holdings and 74 existing single farms with a total area of 127,734 acres have been approved as suitable. There have been 50 holdings with an area of 68,111 acres allotted to ex-soldier applicants, 25 being dairy farms and 25 wheat and sheep properties. In the south-western portion of the State where heavy rainfall is assured each year, the holdings will be used for dairying and pig raising and developmental work is in hand for the establishment of a considerable number of additional dairy farms in that region. Where the conditions are favorable fat lambs will be raised. Inland, where the annual rainfall is not so heavy, wheat growing and sheep breeding for wool will be the basis of production. There have been 147,265 acres approved for soldier settlement in Tasmania and on King and Flinders Islands. Considerable developmental work is in progress and holdings will soon be available for allotment. Settlers will be engaged chiefly in dairying and sheep breeding for wool and fat lambs.

(vi) *Expenditure.* The following table shows a dissection of the Commonwealth expenditure on War Service Land Settlement to 30th June, 1947 :—

**WAR SERVICE LAND SETTLEMENT (1939-45 WAR) : EXPENDITURE TO
30th JUNE, 1947.**

Advances to States.	N.S.W.	Vic.	Qld.	S. Aust.	W. Aust.	Tas.	Total.
	£	£	£	£	£	£	£
For acquisition of land . . . . .	..	..	..	888,477	829,495	251,750	1,969,722
For development and improvement of land . . . . .	..	..	..	268,975	204,439	69,292	542,706
For payment of living allowances to settlers	10,968	..	1,000	1,099	2,000	..	15,067
To provide credit facilities to settlers . . . . .	..	..	..	11,564	30,000	..	41,564
Total	10,968	..	1,000	1,170,115	1,065,934	321,042	2,569,059

NOTE.—Expenditure to 31st December, 1947, in the same order as above, was : £2,362,185, £796,491, £42,037, £45,034, total, £3,245,747.

(vii) *Proposed Developments.* Surveys have shown that some expansion of the sheep and wool, dairying, and citrus and dried fruit industries, in particular, can be undertaken with a reasonable degree of safety and it is mainly on the basis of those industries that settlement under the War Service Land Settlement Scheme is taking place.

Additional areas of land will be brought under irrigation. These lands are situated principally in the River Murray Valley in the States of New South Wales, Victoria and South Australia, but an area of 22,000 acres in the Maffra district in Gippsland, Victoria, will be irrigated from the Thompson River. In that State the areas under irrigation will be used for dairying and for growing citrus fruits, and fruits and grapes to be canned or dried. In New South Wales the irrigated lands will be used for the production of fat lambs, wool, dairy produce and rice. In South Australia, dried and citrus fruits will be produced. The area of land involved in irrigation proposals in each State to the 30th June, 1947, was—New South Wales, 122,060 acres; Victoria, 104,400 acres; South Australia, 11,830 acres; total, 238,290 acres.

2. *Loans and Allowances (Agricultural Occupations) Scheme.*—(i) *General.* In June, 1945, the Commonwealth Parliament passed the Re-establishment and Employment Act which provides measures for the re-establishment of ex-servicemen in civil life and for facilitating their re-employment. The Act makes provision for the granting of a loan to an eligible ex-serviceman who needs financial assistance to enable him to engage in or resume any occupation, business or practice on his own account, as an active member of a partnership, as a share farmer or as a contract worker. The occupations include agricultural pursuits which are defined by the Act as occupations by way of farming, horticulture, viticulture, apiculture, dairy farming, poultry farming and pastoral or grazing operations. The Commonwealth prescribed the Director of War Service Land Settlement as the Authority to administer the Act insofar as it applies to agricultural occupations. This is set out in Divisions 3 and 4 of Part VI. In pursuance of the powers granted under the Act, and with the approval of the Treasurer, the Director of War Service Land Settlement concluded agreements with State Authorities for the detailed administration by them of loans and allowances to applicants engaged in agricultural occupations. The Re-establishment and Employment Act 1945 also makes provision for the granting of a financial allowance to an eligible ex-serviceman to enable him to establish or re-establish himself satisfactorily in civil life in an occupation, business or practice on his own account, as an active member of a partnership, as a share farmer, or as a contract worker.

(ii) *Loans (Agricultural Occupations).* The terms and conditions on which loans are made have been laid down by the Commonwealth. Loans are made from finance provided by the Commonwealth which also pays the cost of administration by the State Authorities. An applicant is required to satisfy the lending Authority that he has the ability and qualifications to engage, with a reasonable prospect for success, in the form of primary production in respect of which the loan is sought. He must also satisfy the authority that his engaging in the occupation is a suitable means of establishing or re-establishing himself in civil life and that he is likely to be able to repay the loan within a reasonable period. Loans of up to £1,000 can be made to eligible ex-servicemen for the purchase of land, effecting improvements on land, acquisition of tools of trade, livestock, plant or equipment, establishment of a co-operative business with other persons, reduction or discharge of a mortgage, bill of sale, etc. Repayment of loans by periodical instalments of principal and interest is required and security for the loan is taken by means of a mortgage over the land, a charge over stock, plant or equipment, a crop and/or wool lien, an assignment of income or a charge over any other assets. The total amount which may be loaned to any one eligible person shall not exceed £1,000, or 90 per cent. of the lending authorities' valuation of the security offered whichever is the less. Where the security is already encumbered, the total amount of the loan together

with the amount of any such existing encumbrance or charge may not exceed 90 per cent. of the lending authority's valuation of such security. Repayment of the loan may be spread over a period of up to 30 years, but the actual period in each case shall be determined by the lending authority having regard to the anticipated useful life of the assets over which security is taken. The rate of interest payable on loans is—

- (1) Where the total amount advanced for all purposes exceeds £50 but does not exceed £250—

For the first £50 Nil
For the amount over £50 2 per cent. per annum.

- (2) Where the total amount advanced for all purposes exceeds £250 but does not exceed £1,000—

For the first £50 Nil.
For the next £200 2 per cent. per annum.
For the remainder 3½ per cent. per annum.

Ex-servicemen are taking advantage of this means of re-establishing themselves and to the 30th June, 1947, the number of applications approved by State authorities on behalf of the Commonwealth was 6,211 for an amount of £4,394,480. The amount actually advanced to applicants to 30th June, 1947, was £2,515,881. The following table shows particulars for each State to 30th June, 1947 :—

LOANS (AGRICULTURAL OCCUPATIONS) : SUMMARY TO 30th JUNE, 1947.

State.	Applications.			Loans Approved.			Advanced by Commonwealth Treasury to States.	Advanced by States to Applicants.
	Re-ceived.	Ap-proved.	Refused, With-drawn or Not Yet Approved.	Gross Amount.	Net Approvals.(a)			
					Applica-tions.	Amount.		
				£		£	£	£
New South Wales	3,253	2,647	606	1,866,087	2,395	1,681,025	1,100,000	1,073,956
Victoria ..	2,234	1,208	1,026	786,657	1,147	752,672	460,000	401,111
Queensland ..	697	475	222	265,774	404	222,632	135,000	122,429
South Australia ..	860	464	405	347,618	440	334,946	250,000	208,184
Western Australia	1,803	1,209	594	997,675	1,158	956,763	670,000	629,342
Tasmania ..	467	206	261	128,669	196	124,569	100,000	78,859
Northern Territory	8	2	6	2,000	2	2,000	2,000	2,000
Total ..	9,331	6,211	3,120	4,394,480	5,742	4,074,607	2,717,000	2,515,881

(a) After deduction of loans declined after approval—£319,873.

NOTE.—To 31st December, 1947, applications received totalled 11,608, and approved, 7,963; net amount approved, £5,213,580; amount advanced to applicants, £3,787,999.

(iii) *Allowances (Agricultural Occupations).* These allowances are payable only in respect of the period during which the income derived from the occupation by the ex-servicemen concerned is, in the opinion of the prescribed authority, inadequate. The rate per week of the allowance is determined by the prescribed authority, having regard to all the circumstances of the case, including the income of the person concerned. The maximum period for which the allowance is payable is twelve months from the date of entering into working occupation of the property, or from the date of resuming working occupation after war service if the property was occupied by the applicant prior to engagement on war service.

To the 30th June, 1947, there had been 5,977 applications approved and the amount paid was £706,640. The following table gives State details to 30th June, 1947 :—

ALLOWANCES (AGRICULTURAL OCCUPATIONS) : SUMMARY TO 30th JUNE, 1947.

State.	Applications.			Advanced by Commonwealth Treasury to Bank.	Allowances Paid.
	Received.	Approved.	Rejected, Withdrawn or Not Yet Approved.		
				£	£
New South Wales ..	2,099	1,801	298	225,000	211,675
Victoria ..	1,540	1,082	458	110,000	100,107
Queensland ..	1,473	1,099	374	143,500	142,302
South Australia ..	842	512	330	85,000	75,152
Western Australia ..	1,632	1,363	269	170,000	160,113
Tasmania ..	185	120	65	18,000	17,291
Total ..	7,771	5,977	1,794	751,500	706,640

NOTE.—To 31st December, 1947, 9,858 allowances had been received, 7,912 approved and the allowances paid, £1,075,969.

3. War Service Land Settlement Division—Total Expenditure.—The following table shows details, by States, of the total expenditure of the War Service Land Settlement Division for the years 1945–46 and 1946–47 and the aggregate to 30th June, 1947. The aggregate, £6,392,236, includes—War service land settlement, £2,569,059; agricultural loans, £2,717,000; agricultural allowances, £751,500; administrative expenses, £68,960; rural training, £285,717. Details of the larger items are given in the paragraphs concerning them.

WAR SERVICE LAND SETTLEMENT DIVISION : EXPENDITURE.

Period.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Northern Territory.	Total.
	£	£	£	£	£	£	£	£
1945–46 ..	120,500	153,804	60,000	263,299	610,042	331,769	..	1,539,414
1946–47 ..	1,289,426	536,231	261,780	1,285,495	1,337,384	140,506	2,000	4,852,822
Total to 30th June, 1947	1,409,926	690,035	321,780	1,548,794	1,947,426	472,275	2,000	6,392,236

NOTE.—Totals to 31st December, 1947, were, New South Wales, £2,133,803; Victoria, £1,213,109; Queensland, £531,955; South Australia, £1,959,115; Western Australia, £2,738,844; Tasmania, £519,189; Grand total, £9,098,015.

§ 10. Tenure of Land by Aliens.

Information regarding the terms and conditions under which land can be held by aliens is contained in earlier issues of the Official Year Book (see No. 18, pp. 190–1). All tenure of land by aliens in April, 1948, was subject to the National Security (Economic Organization) Regulations, 1942.

§ 11. Advances to Settlers.

1. General.—A detailed statement regarding the terms and conditions governing advances to settlers in the several States and the Northern Territory appears in preceding issues of the Official Year Book (see No. 22, pp. 179–186).